

Report for March 2006 Quarter

28 April 2006

ASX Code : HEG, HEGOA

HIGHLIGHTS

- *\$16m farm-in agreement with Senator Minerals Inc. to earn 50% of Hill End Gold Project.*
- *New high grade Footwall Zone discovered at Reward.*
- *An initial resource estimation commences for Reward.*
- *Drilling re-commences at Red Hill to test a Hawkins Hill – Reward style target and to extend the near surface resources.*
- *Hill End Gold Limited ordinary shares commence trading on the Frankfurt Stock Exchange.*

CORPORATE

Hill End Gold Limited announced on 27 April 2006 that the Company and Vancouver-based Senator Minerals Inc. ("Senator") have entered into a Farm-in Agreement, subject to Canadian TSX-V approval, whereby Senator has the right to earn a 50% interest in the Hill End Gold Project in New South Wales, Australia by providing funding of A\$16 million to Hill End Gold over three years for exploration and development on the project.

Key points of the agreement are:-

- Senator paid \$100,000 cash on signing the Agreement;
- Senator is obliged to provide \$2,100,000 to complete the first tranche of exploration funding within 90 days of approval of the Agreement;
- Senator will earn its equity position in the Hill End Gold Project when the full farm-in amount is paid;
- The indicative drawdown schedule for exploration expenditure is \$4.2 million in the first year, \$5.5 million in the second year and \$6.3 million in the third year.

All exploration expenditure on the Hill End Gold Project from 1 January 2006 will be reimbursed to the Company under this farm-in agreement.

The budget for drilling at the Hill End project is approximately 8,000 metres for the 2006 calendar year with the Senator farm-in funding providing for an expanded and consistent exploration and development effort without shareholder dilution.

It was announced on 28 April 2006 that Hill End Gold Limited ordinary shares have been listed on the Frankfurt Stock Exchange with the ISIN Code AU000000HEG7 and German security identification number of WKN 813019. This listing enables European investors to trade shares in Hill End Gold in Euros. A link to review trading results on this exchange is :

http://aktien.onvista.de/kurse.html?ID_OSI=8054320

HILL END GOLD

Gold mineralisation in the Hill End Structural Corridor occurs as high grade zones or shoots of various sizes in the host rocks and associated structures within broader areas of coarse gold mineralisation. The historic Hawkins Hill 'shoot' was approximately 400 metres long, 40 metres wide and 50 metres downdip. These broad zones and the wide high grade shoots occurring within them are the targets of the current exploration activities.

Hill End Gold is exploring for repetitions of these previously mined ~1m ounce sized deposits in the large Hill End system, particularly along the ten kilometres of strike of the Structural Corridor between Hawkins Hill and Red Hill.

Hill End Gold has the majority of the Hill End goldfield under tenement with high potential targets ready for drilling. We have a targeted resource potential of 4 – 5 million ounces below high grade workings along the almost unexplored Hill End Anticline.

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Drilling on the Reward and Red Hill projects at Hill End has continued during the quarter with eight holes completed at Reward for 1,554 metres of diamond and reverse circulation drilling and at Red Hill the second diamond hole was near completion for 429 metres.

HAWKINS HILL – REWARD GOLD PROJECT

The Reward project is a northern extension of the historic workings at Hawkins Hill which produced over 425,000 ounces of gold. Drilling at Reward is targeting a number of high grade gold zones which are similar to the Hawkins Hill mineralisation. The drilling is intended to provide sufficient information for an initial resource estimate and a preliminary scoping study for the development of the Reward area. Further drilling is planned to test for extensions of the Reward mineralisation along strike to the north towards Scandinavian and Germantown and to the south towards Hawkins Hill where little exploration has been done.

Drilling re-commenced at the Reward area in early December 2005. Given the excellent results reported previously, this third stage program was extended from 1,000 metres to 1,743 metres and was completed during the quarter. Results include extensions to the known Hangingwall and Central Zones and the discovery of strong gold mineralisation for the first time in the Footwall Zone.

All Reward holes have been logged and samples dispatched to the ALS Chemex laboratory in Orange, NSW. Assay results for HHRCD22, 24 and 25, which had visible gold logged in numerous quartz veins, are expected over the next few weeks.

The Reward mineralisation is within the Hawkins Hill Mine Sequence, which hosts the Hangingwall, Central and Footwall high grade vein sets. The high grade vein sets in the Hangingwall Zone have a strike extent of over 200 metres and the Central Zone is expected to exceed 300 metres. Repetitions of these high grade zones are interpreted to continue along strike and at depth. An initial resource estimate for the Reward area will be completed during May 2006 with scoping studies for the Reward area planned for mid-2006.

The individual mineralised vein sets at Reward can be correlated with the same vein sets at Hawkins Hill. Although the veins themselves are relatively narrow, they form local high grade continuous shoots similar to the rich portion of the Hawkins Hill deposit. High grade drill intersections indicate that such high grade shoots may be nearby. A brief summary of the vein sets in the Hawkins Hill Mine Sequence is :-

Hangingwall Zone

Stephen's, Frenchman's and Rowley's vein sets. As Frenchman's has been stoped from near surface, the Stephens vein set is the main target in the Hangingwall Zone.

Central Zone

Phillipson's, Mica, Star of Peace, Middle workings, Paxton's and East vein sets. These vein sets are in a shale dominated sequence approximately 45 metres thick.

Footwall Zone

Amalgamated and Brand and Fletcher's vein sets. These vein sets have been intersected in deeper drilling in a number of recent holes.

The Hangingwall, Central and Footwall Zones are each separated by coarse grained turbidites about 15 metres thick.

Below the Hawkins Hill Mine Sequence there are other mineralised vein sets, which have been mined in outcrop to the south to the Turon River and beyond, though not yet tested by drilling.

The digital drillhole database for the Hill End area is complete and validated and detailed geological interpretation of the Reward area is progressing well. Preparation for 3-D modelling is underway as a component of the initial Reward resource estimation.

RED HILL GOLD PROJECT

Diamond drilling re-commenced at Red Hill during the quarter with 428 metres drilled out of a planned 2,670 metre program of combined reverse circulation and diamond drilling. The program is designed to test for the high grade mineralisation previously intersected in the Red Hill shaft area and to further delineate and define the Red Hill near surface resource. Drilling productivity has more than doubled over the past few months so the previously announced additional rig for Red Hill is not required at this stage.

HILL END EXPLORATION

The Gowan Exploration Licence Application covering the Hill End Anticline to the south of the Company's EL5868 tenement is expected to be granted in the near future following payment of the tenement security.

Attribution

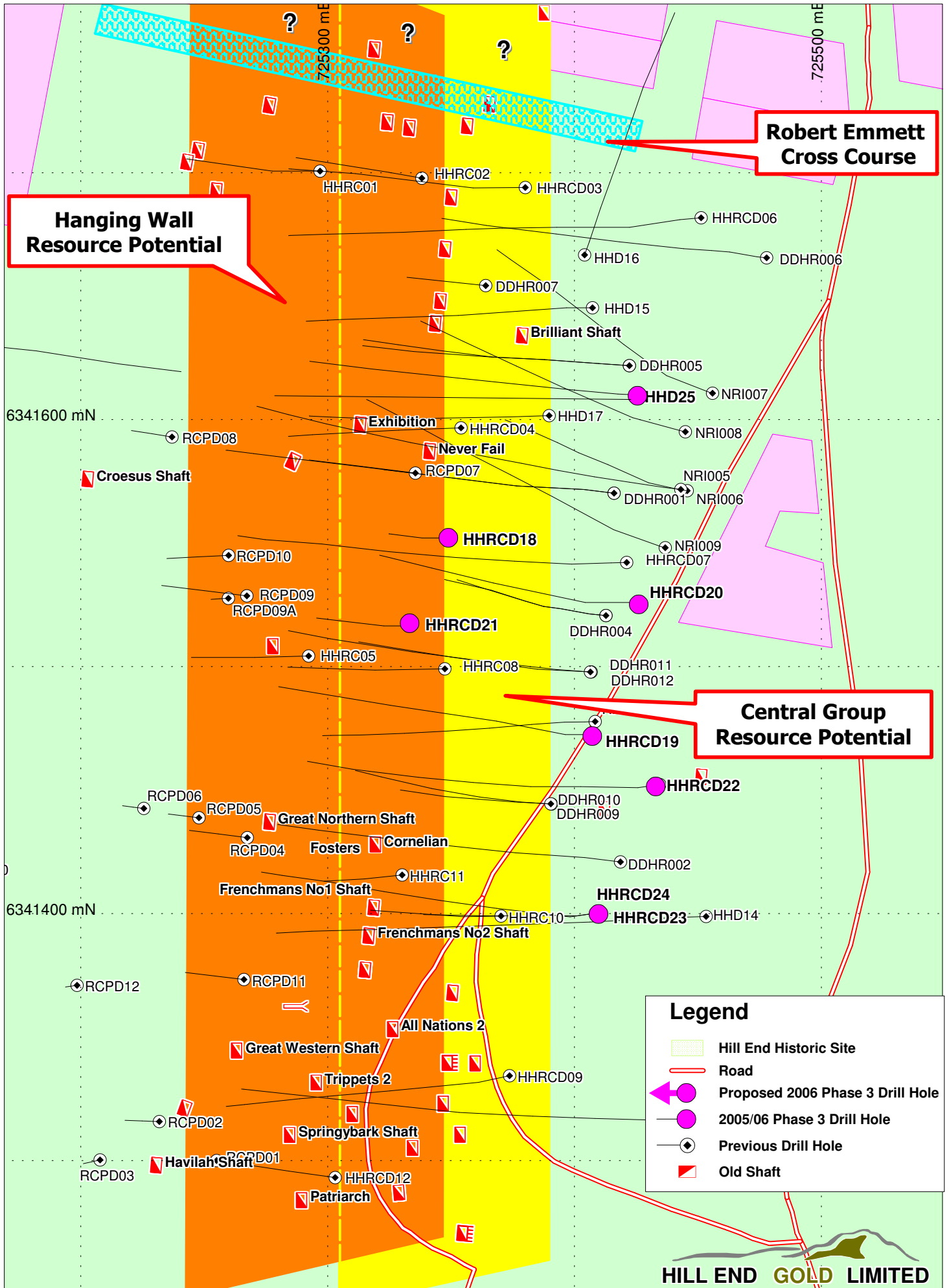
Exploration comment and data herein are based on information provided by either Mr John Gallo of JNK Exploration Services or Mr Philip Bruce. Both Mr Gallo and Mr Bruce are Fellows of the Australasian Institute of Mining and Metallurgy and both Mr Gallo and Mr Bruce have sufficient relevant experience in the styles of mineralisation being reported on to qualify as Competent Persons as defined in the "Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves".

Yours faithfully



Philip Bruce
Managing Director

Attached: - Reward Project Drillhole Location Plan
- Hawkins Hill – Germantown Long Section
- Red Hill Project Drillhole Location Plan



REWARD PROJECT - HILL END NSW

Drill Hole Location Plan with Hanging Wall & Central Zone Resource Potential

HAWKINS HILL to GERMANTOWN HIGH GRADE TARGET ZONES

